



KINGSROSE
MINING LIMITED

ASX Announcement
November 22, 2016

Debt Restructure Completed

Kingsrose Mining Limited (ASX: KRM) is pleased to advise that it has successfully renegotiated the terms of its secured debt facilities with its lenders.

Under the agreements, Kingsrose's scheduled loan repayments have been deferred until July next year with the exception of one instalment to Great Golden Investment Limited and Beaurama Pty Ltd upon the earlier of either the receipt of an outstanding Indonesian tax refund or 31 March 2017.

Kingsrose owes secured lenders Michael John Andrews, Great Golden Investment Limited and Beaurama Pty Ltd a total of A\$9.2 million.¹ (Great Golden Investment Limited & Beaurama Pty Ltd are entities controlled by former director Mr Bill Phillips).

Kingsrose Executive Chairman John Morris said the agreement to defer the repayments would provide the Company with the financial flexibility to continue implementing the key reforms underway at its flagship Way Linggo gold project in Indonesia.

"With the assistance of our consultants Mining Plus, we are making solid progress in devising and implementing new systems at the Talang Santo mine," Mr Morris said. "The deferral of the loan repayments will give us the flexibility to continue this program and unlock the true medium and longer-term value of the asset."

Kingsrose also advises that Doug Kirwin has resigned as a Non-executive Director due to conflicting work obligations. Doug will remain as a key consultant to the Company's on site geological team. Joanna Kiernan, who is currently Company Secretary, will join the Board as a Non-executive Director.

Details of Debt Restructure

The key terms of the agreements with the Company's secured lenders are:

1. Ongoing payment of interest at 10.5% per annum, which increases to 12.5% for overdue amounts;
2. Payment of a renegotiation fee equal to 2% of the outstanding principle over 7 equal monthly instalments;
3. Ability to convert all or part outstanding monies to shares in the Company at an issue price equal to the 10 day VWAP of the Company's shares in the 10 days prior to the issue of a conversion notice by the Lender;



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4. Increased events of default, warranties, guarantees and undertakings on the part of the Company which are customary in these types of financing arrangements;
5. Payment of the fourth repayment instalment to Great Golden Investment Limited and Beaurama Pty Ltd (*which was due on 31 October 2016 – refer to ASX Announcement 1 November 2016*) upon the earlier of the receipt of an outstanding Indonesian tax refund or 31 March 2017 with all further repayments of the principle deferred until July 2017 with the final repayment occurring on 31 October 2018;
6. The Company agreed with Michael John Andrews to defer any further repayment of the principle until July 2017 with final repayment occurring on 31 November 2018; and
7. The revised terms of the loan and security agreements are conditional (amongst other matters) upon ASX granting the Company a waiver of Listing Rule 10.1 or obtaining the approval of its shareholders in general meeting

-ENDS-

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¹ As at 30 September 2016 – Refer to the Company's September Quarterly Activities & Cashflow Report